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RUEHLO/AMEMBASSY LONDON PRIORITY 3975
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1282
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RUEHKO/AMEMBASSY TOKYO PRIORITY 3132
RUEHCG/AMCONSUL CHENNAI PRIORITY 7937
RUEHBI/AMCONSUL MUMBAI PRIORITY 5586
RUEHON/AMCONSUL TORONTO PRIORITY 0371
RUEHGV/USMISSION GENEVA PRIORITY 2272
RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY
RHEFDIA/DIA WASHINGTON DC PRIORITY
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C O N F I D E N T I A L SECTION 01 OF 03 COLOMBO 001168

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DEPARTMENT FOR SCA/INS

E.O. 12958: DECL: 08/27/2017

TAGS: [PGOV](#) [PREL](#) [PTER](#) [PHUM](#) [MOPS](#) [CE](#)

SUBJECT: SRI LANKA: NATIONALISTS THREATEN TO END SUPPORT
FOR GOVERNMENT OVER DEVOLUTION

REF: A) COLOMBO 1127 B) COLOMBO 1103 (AND PREVIOUS)

Classified By: Ambassador Robert O. Blake, Jr. Reasons: 1.4(b, d).

11. (C) SUMMARY: The Sinhalese nationalist Janatha Vikmuthi Peramuna (JVP) has threatened to withdraw its support from outside for the government if the All-Party Representative Committee consensus in favor of meaningful devolution to the provinces is allowed to stand. The JVP insists on retaining the "unitary" character of the Sri Lankan state. President Rajapaksa faces a real possibility of losing his majority in parliament during in November if the JVP makes good on its threat and joins the opposition United National Party and its allies in voting against the budget. Under Sri Lanka's constitution, this would force the President to form a new government, possibly under the leadership of the opposition, or to call for new elections. As a result, the President appears to be playing for time, and may defer meaningful action on the APRC proposals until after the budget passes. In our assessment, the expected attempt by the opposition to bring down the government during the November budget debate will further strain relations between the two major parties, making the two-thirds majority required for constitutional changes to implement devolution all the more difficult to achieve. End summary.

12. (C) On August 23, in a front-page interview in the daily Island, JVP parliamentary leader Wimal Weerawansa warned his party would vote against the budget in November if the government approved a devolution proposal that deviated from the "unitary state." Embassy contacts within the JVP confirmed that the party was serious about ending its present support for the government from outside the coalition if its demands are not met. They added that the JVP was looking for an appropriate moment to withdraw support -- and probably would exercise that option if it suspected an early election was in the offing. The JVP had previously warned the government over foot-dragging on combating corruption. It has also said it would not continue to vote to extend the emergency regulations if ordinary citizens became victims of harassment by the security forces.

¶3. (C) Former Sri Lankan High Commissioner to the UK and India Mangala Moonesinghe, who is close to many GSL leaders, told Ambassador that the government was concerned about the JVP's threat. As a result, he thought the President might well put the APRC process on hold until after the budget passes in early November.

¶4. (SBU) Under the Sri Lankan Constitution, failure by Parliament to endorse the government's statement of policy in January, or to pass the appropriations bill in October, or the budget in November, triggers provisions that require formation of a new government. At the President's option, if a new majority is available, he can charge either the incumbent or a new prime minister with forming a new Cabinet. However, if the sitting parliament has served for at least one year, he may also dissolve parliament and hold new elections. A new Parliament must then convene within 90 days.

¶5. (C) Even if the JVP were to stop supporting the government, there should be a narrow majority to pass the appropriations and budget bills. The main parties not allied with the government at present are the principal opposition United National Party (UNP) and the Tamil National Alliance (TNA). However, together with the JVP and a couple of minor players, the opposition is within striking distance of toppling the government. Further, the coalition parties are a heterogeneous group held together more by a common interest in wielding power than by any policy coherence. There are several minor Tamil and Muslim parties in the coalition which are known to be restive. According to the Colombo rumor mill, some of these are only waiting for a signal from

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Opposition Leader Ranil Wickremesinghe to desert the government. The ideal time to do this would be during the budget debate.

¶6. (C) Further, there are a number of members of the President's Sri Lanka Freedom Party, including sitting ministers, who are chafing at the de facto subordination of the Cabinet to the President's powerful brothers, Defense Secretary Gothabaya Rajapaksa or Senior Advisor Basil

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Rajapaksa. The President's base has shown signs of crumbling in his Southern strongholds under pressure from the SLFP splinter group of former Foreign Minister Mangala Samaraweera. Overt or obvious behind-the-scenes encouragement for Samaraweera's new alliance with the UNP from former President Chandrika Kumaratunga, recently returned to Sri Lanka, might push more SLFP MPs into crossing over into opposition. In other words, the calculus in the present Parliament becomes difficult for the President if he cannot count on the JVP voting for the budget. This is what lends the JVP's threat credibility and forces the president to deal with that situation.

¶7. (C) It is not clear who the winners and losers of a new election would be. According to some observers, the government's private polls show that the current majority would not be returned in the event of a general election. This would open the door for a new government under leadership of the UNP. Most reckon that the JVP, in the absence of the pre-electoral alliance with the SLFP benefited both parties in the 2004 general election, would also fare badly. It therefore seems that it is not in either in the President's or the JVP's interest to push the brinkmanship over the devolution proposal to the limit.

¶8. (C) All-Party Representative Committee (APRC) chair Tissa Vitharana told Ambassador on August 24 that the APRC had held positive and productive discussions on August 13 and 21, but the Committee had referred certain difficult issues to a "consensus of leaders." (This appears to mean the leadership of their parties, chaired by President Rajapaksa.) Multiple

sources told us that such a meeting took place on August 23, with participation by nearly all parties -- with the exception of the UNP, JVP and TNA. The Buddhist monk-based Jathika Hela Urumaya (JHU) and the tiny, left-wing MEP used the occasion to attack APRC chair Vitharana's leadership of the group. President Rajapaksa stoutly defended Vitharana, reportedly saying that Vitharana's regular APRC progress reports to the international community were essential to the GSL strategy. He then instructed the group to resume its deliberations.

¶9. (C) According to Vitharana, the President reiterated his support for the APRC consensus that the unit of devolution should be the province, effectively ending the discussion about this issue. Vitharana also told us that while the President clearly was concerned about the JVP's threat, "it did not appear to be weighing on his mind." However, Rajapaksa reportedly failed to resolve the pivotal question of the nature of the state (whether to characterize it as "unitary") and also declined to set a deadline for the APRC completing its work. The MEP representative on the APRC told us he thought the work would take perhaps another month, but did not see it continuing into the critical time in late October and early November for passing the budget. However, the Sri Lanka Muslim Congress representative thought that the President was playing for time, intentionally seeking a delay to avoid setting up a confrontation with the JVP before the budget passes.

¶10. (C) COMMENT: The core issue the President must grapple with, and resolve, is whether to cater to the nationalist ideology about a "unitary state" by offering a pallid version of devolution that could not serve as a basis for national

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reconciliation. There is no sign yet that he has decided how to handle this. The continued back-and-forth on questions that have already been clearly defined, and are ripe for decision, only shows exactly how difficult it is for any leader, including Rajapaksa, to cobble together a "southern consensus" on power-sharing with the regions. This is the central problem which has eluded Sri Lanka's leaders for decades. However, the conditions for progress on devolution may not be any better in November, when the JVP will be no more likely to drop its opposition to any meaningful devolution plan than it is now. The UNP will almost certainly try to use the budget as a lever to topple Rajapaksa's government. In the overheated atmosphere following an attempt to bring down the government -- whether or not successful -- it will be even more difficult to assemble the two-thirds majority required for constitutional changes, for which both the major parties (SLFP and UNP) would have to be on board. Still, the UNP is on record as saying it would support a reasonable proposal if the government puts one forward by the end of August. The President's desire to showcase his devolution plan during his speech to the UN General Assembly on September 26 gives us a brief window of opportunity to press all parties to come to closure.

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